

Under the Cigarette Tax Act, it is unlawful for any person to engage in the business as a distributor of cigarettes in this State without first having obtained a license or permit from the Department. Except when the applicant is the manufacturer, no distributor's license shall be issued to an applicant unless he presents the Department with satisfactory proof in writing that he will be able to buy cigarettes directly from at least 3 major cigarette manufacturers. See 86 Ill. Adm. Code 440.50. (This is a GIL).

July 21, 1999

Dear Mr. Xxxxx:

This letter is in response to your letter dated March 18, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 86 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

Private Letter Ruling, we are in receipt of your letter and noted the contents in it about providing three major cigarette manufacturers doing business in the United States that they will provide us with cigarettes.

First of all the PRODUCT that we are going to Import from COUNTRY is the only thing we are going to sale, we don't have to buy any products from United States.

As you ask in your third paragraph and in RC-2 application coloum-9 the three major supplier from United States. We have to state that we are not going to buy any cigarettes from United States. We are going to Import the PRODUCT or other products. As per my knowledge we don't need that kind of written proof from three major cigarette manufacturers doing business in the United States.

For your better understanding we are enclosing here with the other importers known as NAME1, NAME 2 and NAME3 also more references will be available upon your request. Now we are requesting to review our letter and let us know about it.

Under the Cigarette Tax Act, it is unlawful for any person to engage in the business as a distributor of cigarettes in this State without first having obtained a license or permit from the Department. See the enclosed copy of 86 Ill. Adm. Code 440.50. Except when the applicant is the manufacturer, no distributor's license shall be issued to an applicant unless he presents the

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Department with satisfactory proof in writing that he will be able to buy cigarettes directly from at least 3 major cigarette manufacturers. See Section 440.50(a). There is no requirement that the 3 major cigarette manufacturers do business in the United States. Upon written satisfactory proof from such major cigarette manufacturers, along with a complete application, fee and bond in proper form, the Department will issue such distributor's license. Failure to comply with Department regulations results in the denial of a cigarette distributor's license.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Gina Roccaforte
Associate Counsel

GR:msk

Enc.